



Transportation Security Administration

Date: April 23, 2003

To: All Air Carriers Affected by the Suspension of Collection of Air Carrier Security Service Fees pursuant to 49 U.S.C. §44940 and 49 C.F.R. Parts 1510 and 1511

From: Transportation Security Administration

On Wednesday April 16, 2003, President Bush signed Public Law No. 108-11, the Emergency Wartime Supplemental Appropriations Act, 2003. One of the provisions in this legislation provided for the suspension of collection of the air carrier security service fees pursuant to 49 U.S.C. § 44940 for the period of June 1, 2003, through September 30, 2003.

The Transportation Security Administration (TSA) has concluded that, under the language of the statute, collection of the aviation security service fees imposed under 49 U.S.C. §44940 and 49 C.F.R. Parts 1510 is to be suspended on **tickets sold** during the period of June 1, 2003, through September 30, 2003, regardless of the period of travel. The suspension applies to both air carriers and foreign air carriers, as defined by 49 U.S.C. §40102.

Under 49 C.F.R. § 1510.9(b), direct air carriers and foreign air carriers engaged in air transportation, foreign air transportation, and intrastate air transportation originating at airports in the United States must continue to collect the passenger security service fee on air transportation sold through midnight on May 31, 2003. Direct air carriers and foreign air carriers shall not collect the passenger security service fee on air transportation sold between midnight on May 31, 2003, and midnight on September 30, 2003. Consistent with TSA's regulation at 49 C.F.R. Part 1510, direct air carriers and foreign air carriers must resume collecting the passenger security service fee on air transportation sold on and after October 1, 2003. All passenger security fees collected through May 31, 2003, must be remitted to TSA in accordance with 49 C.F.R. Part 1510 no later than June 30, 2003. Additionally, payment of passenger fees collected beginning on or after October 1, 2003, must be remitted in accordance with 49 C.F.R. Part 1510. If a direct air carrier or foreign air carrier collects any passenger security service fees during the suspension period, that carrier must refund the fee to the passenger.

Under 49 C.F.R. Part 1511, the air carriers and foreign air carriers will continue to incur the Aviation Security Infrastructure Fee (ASIF) through May 31, 2003. Air carriers and foreign air carriers have until June 30, 2003, to submit their ASIF payments for fees incurred for the month of May. Air carriers and foreign air carriers will not incur the ASIF between June 1, 2003, and September 30, 2003. Imposition of the ASIF will then resume for the month of October 2003, and the payment for that month will be due no later than November 30, 2003.

If you have any further questions, please contact Randall Fiertz, Office of Revenue, at 571-227-2323.